

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
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Legislation Title: AN ORDINANCE relating to the SR 520, I-5 to Medina: Bridge Replacement and HOV Project; authorizing the amendment of certain agreements with the Washington State Department of Transportation and the University of Washington.

Summary of the Legislation:

This legislation removes language requiring National Park Service (NPS) prior approval to conclude the obligations of the affected agreements. The legislation revises language in the contracts referred to in the following Amendments (attached to the proposed Ordinance);

1. Amendment 1 to GCB 1294, Memorandum of Agreement among WSDOT, UW and the City of Seattle Regarding Section 6(f) of the Land and Water Conservation Fund Act for the SR 520, I-5
2. Amendment 1 to GCB 1291, Interagency Agreement for Real Estate Transactions among WSDOT, UW, and the City of Seattle Regarding the Acquisition of Section 6(f) Converted Property and Designation of Section (f) Replacement Property, Bryant Building Site; SR 520, I-5 to Medina Project: Bridge Replacement and HOV Project.
3. Amendment 1 to GCB 1279, Bryant Project Development Agreement

Background:

Property within the Section 6(f) area of the Arboretum (Arboretum Lakeside Trail) was jointly developed by the UW and the City with funds from the National Park Service's (NPS) Land and Water Conservation Fund. Due to this fact, the conversion of this property to use by WSDOT for SR 520 improvements is subject to approval of the NPS. The various agreements referenced above contain language requiring the prior approval of NPS before the parties conclude their mutual agreement obligations. As a result of the recent federal government shutdown and other delays, the NPS is unable to complete review of these agreements in time to accommodate the SR 520 construction schedule. WSDOT must certify full ownership of the affected property early next year to be able to advertise the project and begin construction in mid-2014. It has now become apparent that the required prior review by NPS cannot be achieved in a timeframe consistent with WSDOT's schedule needs.

The UW, WSDOT and City staff have discussed this schedule problem at length and have consulted with the State Recreation and Conservation Office (RCO), which administers the LWCF grant on behalf of NPS. RCO has advised the City that it will take no steps to sanction the City for failing to gain prior NPS approval; however, they do expect the City and UW to meet all requirements of the 6(f) conversion program as the project proceeds. Staff of the respective parties have concluded that there is no significant risk to the City if it proceeds to fulfill its obligations to the other contract partners at this time.

Ultimately, NPS retains the authority to approve the conversion of the property and determine if

the obligations of Section 6(f) have been met. LWCF regulations require that replacement property be provided by grantees for converted property within 5 years of the conversion. Also, the processes associated with the conversion, such as appraisals and environmental reviews, must meet specific standards that will be reviewed and accepted by NPS prior to final approval of the conversion. It has been concluded that these reviews can occur later in the conversion process with no significant risks to the City.

 x **This legislation does not have any financial implications.**

 This legislation has financial implications.

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
No
- b) **What is the financial cost of not implementing the legislation?**
WSDOT will suffer significant project delays and increased costs. City residents will forego, for an extended period of time, benefits accruing from the construction of the project improvements. No estimate of the cost penalties of delay is possible at this time.
- c) **Does this legislation affect any departments besides the originating department?**
Yes. SDOT, SPU, City Light and the Law Department are all potentially affected. Calvin Chow of SDOT, the City wide coordinator for the 520 project, has been notified.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** None
- e) **Is a public hearing required for this legislation?**
No
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?** No
- g) **Does this legislation affect a piece of property?** Yes
- h) **Other Issues:**

List attachments to the fiscal note below: No attachments. There were attachments to the prior legislation authorizing the several agreements and those exhibits do not change.